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INFO RUEHXK/ARAB ISRAELI COLLECTIVE PRIORITY

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C O N F I D E N T I A L ABU DHABI 000911

SIPDIS

STATE FOR NEA, NEA/ARPI, NEA/IPA

E.O. 12958: DECL: 02/27/2015

TAGS: EFIN EAID ECON EINV PREL KPAL IS TC

SUBJECT: UAE INVESTMENT IN PALESTINE: GOOD INTENTIONS, BAD

TIMING?

REF: ABU DHABI 834

Classified By: Ambassador Michele J. Sison for reasons 1.4 (b and d)

- 11. (C) Summary: Abu Dhabi Crown Prince Sheikh Mohammed Bin Zayed Al-Nahyan (MbZ) told Ambassador that he had been briefed on Dubai real estate developer Mohammed Al-Abbar's visit to the Palestinian territories and proposed investments there in advance of Al-Abbar's trip, and had no objection to Al-Abbar's plans in principle. (reftel) He expected that the current public furor would pass and implied that there might be room to move forward on investments in Palestine when things calmed down. Meanwhile, in response to the extensive media coverage and criticism of his visit, Al-Abbar denied that he had either met with Israeli PM Sharon or offered to buy the settlements. End Summary.
- 12. (C) In a February 25, meeting with Ambassador and visiting Chief of Staff of the Air Force General Jumper, MbZ said that he had known about Mohammed Al-Abbar's visit to the Palestinian territories and his investment concept, and was not/not opposed to either the visit or the concept in principle. He had "strongly" advised, however, that Al-Abbar meet the Palestinian side first and allow them to publicize it. After that, he suggested, meetings with the Israelis, to facilitate the arrangement with the Palestinians, would have made logical sense and could have been justified to the public. MbZ stated that, unfortunately, Al-Abbar had "got the order mixed-up," and the Israelis' put out the story as if Al-Abbar was working the deal with them. MbZ predicted that the media storm would "blow over" and that Al-Abbar could be "redeemed" in the eyes of the UAE public.
- 13. (U) After the appearance of several articles and editorials criticizing his visit to the Palestinian

territories and meetings with senior Israeli officials, the UAE papers carried Mohammed Al-Abbar's public denial that he had made a deal to purchase the settlements. He also denied meeting with Israeli PM Ariel Sharon. He stated that his visit to the Palestinian territories was to assess the needs of the Palestinian people and to examine the situation on the ground. Al-Abbar emphasized that, in his meetings with Palestinians, he found a strong desire "to maintain the assets that are built on these colonies instead of having them demolished by Israeli forces. Together we held the view that Palestinian people could benefit from those assets rather than having to construct replacement assets."

- ¶4. (U) The weekend press debate was largely negative. The "Emirates National Committee Against Normalization with the Israeli Enemy" criticized Al-Abbar for his reported interest in purchasing the settlements from Israel noting that the "the purchase (of the settlements) rewards the Israeli occupation and makes it legitimate." (Note: MFA U/S Abdullah Rashid Al-Noaimi stressed to Ambassador, on February 27, that the committee was a group of private citizens and had no/no UAEG involvement. End note) An editorial in the English language "Gulf News" noted that Al-Abbar's intentions were good, but his timing was premature, since there was still no peace settlement between the Palestinians and the Israelis. The editorial noted that "when the land is returned, Sharon will not be the person to deal with." The Arab Nationalist paper Al-Khaleej (considered the most popular paper in the UAE) had an editorial, which -- while not naming Al-Abbar -- sharply criticized normalization of relations with Israel.
- 15. (C) Comment: MbZ's remarks indicate that he was much more aware -- and potentially supportive -- of this project than we had understood from Al-Abbar. The public outcry in the UAE is related to the meeting with Sharon and to the news (both of which Al-Abbar denied) that he was prepared to compensate the Israelis for the Gaza settlements. The furor has certainly delayed any movement on this project, given the UAEG's preference to stay out of the headlines. It appears however, that senior Abu Dhabi ruling family members are not opposed to the concept of investing in the Palestinian territories and an approach by Palestinian president Mahmoud Abbas could possibly still move this project forward, as long as it can be officially presented as an arrangement between the Palestinians and UAE investors. End Comment.